

HEALTHY LOUISIANA ADMINISTRATIVE ACTIONS, MONETARY PENALTIES, AND SANCTIONS

Tracking Number	Contractor Name and Address	Failed Deliverable/Non-Compliance with Contract Requirements	Notice of Action Date	Deadline to Cure	MCO Response	Potential Monetary Penalties	Notice of Monetary Penalty	Monetary Penalty Amount	Compliance or Closure Date
LHC2-01	Louisiana Healthcare Connections 8585 Archives Ave.Ste. 310 Baton Rouge, LA 70809	17.8.3 For encounter data submissions, the MCO shall: 17.8.3.1 Submit complete and accurate encounter data at least monthly; 17.8.3.2 Due in accordance with the encounter reconciliation schedule published by DHH or its contracted review organization, including encounters reflecting a zero dollar amount (\$0.00) and encounters in which the MCO or its subcontractor has a capitation arrangement with a provider. If the MCO fails to submit complete encounter data, including encounters processed by subcontracted vendors (e.g., pharmacy, non-emergency transportation, vision) as measured by a comparison of encounters to cash disbursements within a five (5) percent error threshold (at least ninety-five (95) percent complete), the plan may be penalized as outlined in Section 20 of the RFP. 17.8.3.3 DHH's current FI accepts HIPAA compliant 837 encounters for Institutional, Professional and Dental. DHH's FI accepts Pharmacy encounters using the NCPDP D.0 format in a batch processing method. The MCO shall be able to transmit encounter data to the FI in this manner sixty (60) days after the contract start date.. Inpatient Hospital services (Institutional encounters indicating Facility Type Code of 11, 12, 18, 21 or 86) are adjudicated at the document level. All other encounters are adjudicated at the line level.	10/11/2016	11/21/2016		20.1. Other Reporting and/or Deliverable Requirements 20.1.1. For each day that a deliverable is late, incorrect or deficient, the MCO may be liable to DHH for monetary penalties in an amount per calendar day per deliverable as specified in the table below for reports and deliverables not otherwise specified in the above Table of Monetary Penalties or expressly written elsewhere in this Contract. 20.1.2. Monetary penalties have been designed to escalate by duration and by occurrence over the term of this Contract.			5/8/2017
LHC2-02	Louisiana Healthcare Connections 8585 Archives Ave.Ste. 310 Baton Rouge, LA 70809	8.4.2. The MCO UM Program policies and procedures shall include service authorization policies and procedures consistent with 42 CFR §438.210, 42 CFR §441 Subpart D, state laws and regulations, Medicaid State Plan and waivers, and the court-ordered requirements of Chisholm v. Kliebert and Wells v. Kliebert for initial and continuing authorization of services that include, but are not limited to, the following: 8.4.2.1. Written policies and procedures for processing requests for initial and continuing authorizations of services, where a service authorization member's request is for the provision of a service if a provider refuses a service or does not request a service in a timely manner; 8.4.2.2. Mechanisms to ensure consistent application of review criteria for authorization decisions and consultation with the requesting provider as appropriate; 8.4.2.3. Requirement that any decision to deny a service authorization request or to authorize a service in an amount, duration, or scope that is less than requested is made by a health care professional who has appropriate clinical expertise in treating the enrollee's condition or disease; 8.4.2.4. Provide a mechanism in which a member may submit, whether oral or in writing, a service authorization request for the provision of services. This process shall be included in its member manual and incorporated in the grievance procedures; 8.4.2.5. The MCO's service authorization system shall provide the authorization number and effective dates for authorization to participating providers and applicable non-participating providers; and 8.4.2.6. The MCO's service authorization system shall have capacity to electronically store and report the time and date all service authorization requests are received, decisions made by the MCO regarding the service requests, clinical data to support the decision, and time frames for notification of providers and members of decisions. 18.14 Court-Ordered Reporting - The MCO shall comply with all court-ordered reporting requirements currently including but not limited to the Wells v. Kliebert and Chisholm v. Kliebert cases in the manner determined by DHH.	4/11/2017	4/30/2017	10/21/2016	Escalating penalties will be assessed in accordance with Section 20			5/11/2017
LHC2-03	Louisiana Healthcare Connections 8585 Archives Ave.Ste. 310 Baton Rouge, LA 70809	18.10 Recurring Reports 18.10.1 The MCO shall prepare and submit deliverables in the report format prescribed by DHH	1/18/2017	2/28/2017		Standing and Ad Hoc Reports - Two thousand dollars (\$2,000.00) per calendar day that a report is late or incorrect.			5/12/2017
LHC2-04	Louisiana Healthcare Connections 8585 Archives Ave.Ste. 310 Baton Rouge, LA 70809	5.13.1.8 - MCO must update its system with daily TPL records sent from LDH's Fiscal Intermediary (FI) within one (1) business day of receipt. MCO must reconcile its system with weekly TPL reconciliation files sent from LDH's FI within one (1) business day of receipt. If a P enrolled member is unable to access services or treatment until an update is made, the MCO must verify and update its system within four (4) business hours of receipt of an update request. P enrolled members are members enrolled with the MCO for Medical, Behavioral Health, Pharmacy and Transportation services.	2/22/2017	3/31/2017		Contract Non-compliance - Two thousand dollars (\$2,000.00) per calendar day that the MCO is not compliant.			6/6/2017

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LHC2-05	Louisiana Healthcare Connections 8585 Archives Ave.Ste. 310 Baton Rouge, LA 70809	9.6 Inappropriate Payment Denials If the MCO has a pattern of inappropriately denying or delaying provider payments for services, the MCO may be subject to suspension of new enrollments, sanctions, contract cancellation, or refusal to contract in a future time period. This applies not only to situations where DHH has ordered payment after appeal but to situations where no appeal has been made (i.e. DHH is knowledgeable about the documented abuse from other sources).	6/15/2017	7/15/2017		Suspension of new enrollments.			7/17/2017
LHC2-06	Louisiana Healthcare Connections 8585 Archives Ave.Ste. 310 Baton Rouge, LA 70809	12.14. Provider Directory for Members 12.14.1. The MCO shall develop and maintain a Provider Directory in four (4) formats: 12.14.1.1. A hard copy directory, when requested, for members and potential members; 12.14.1.2. Web-based, searchable, online directory for members and the public; 12.14.1.3. Electronic file of the directory to be submitted and updated weekly to the Medicaid FI or other designee as determined by DHH; for the Enrollment Broker; and 12.14.1.4. Hard copy, abbreviated version upon request by the Enrollment Broker. 12.14.2. The MCO shall submit templates of its provider directory to DHH within thirty (30) days from the date the Contract is signed. 12.14.3. The hard copy directory for members shall be revised with updates at least annually. Inserts may be used to update the hard copy directories monthly to fulfill requests by members and potential members. The web-based online version shall be updated in real time, but no less than weekly. While daily updates are preferred, the MCO shall at a minimum submit no less than weekly. The abbreviated hard copy version for the Enrollment Broker will be available to all Medicaid enrollees when requested by contacting the Enrollment Broker. Format for this version will be in a format specified by DHH.	11/21/2017	12/22/2017		20.3 Fifteen thousand dollars (\$15,000.00) per calendar day for failure to provide and validate provider demographic data on a semi-annual basis to ensure current, accurate, and clean data is on file for all contracted providers.			4/30/2018
LHC2-07	Louisiana Healthcare Connections 8585 Archives Ave.Ste. 310 Baton Rouge, LA 70809	16.0 SYSTEMS AND TECHNICAL REQUIREMENTS 16.1. General Requirements 16.1.3. All MCO applications, operating software, middleware, and networking hardware and software shall be able to interoperate as needed with DHH's systems and shall conform to applicable standards and specifications set by DHH. 16.3 Connectivity 16.3.1 DHH is requiring that the MCO interface with DHH, the Medicaid Fiscal Intermediary (FI), the Enrollment Broker (EB), and its trading partners. The MCO must have capacity for real time connectivity to all DHH approved systems. The MCO must have the capability to allow and enable authorized DHH personnel to have real-time connectivity to the MCO's system as remote connections from DHH offices.	12/21/2017	1/8/2018		20.4. Other Reporting and/or Deliverable Requirements 20.4.1. For each day that a deliverable is late, incorrect or deficient, the MCO may be liable to DHH for monetary penalties in an amount per calendar day per deliverable as specified in the table below for reports and deliverables not otherwise specified in the above Table of Monetary Penalties or expressly written elsewhere in this Contract. 20.4.2. Monetary penalties have been designed to escalate by duration and by occurrence over the term of this Contract.			2/27/2018
LHC2-08	Louisiana Healthcare Connections 8585 Archives Ave.Ste. 310 Baton Rouge, LA 70809	17.2.4 Claims Reprocessing 17.2.4.1 If the MCO or LDH or its subcontractors discover errors made by the MCO when a claim was adjudicated, the MCO shall make corrections and reprocess the claim within thirty (30) calendar days of discovery, or if circumstances exist that prevent the MCO from meeting this time frame, a specified date shall be approved by LDH. The MCO shall automatically recycle the impacted claims and shall not require the provider to resubmit the impacted claims.	5/29/2018	6/1/2018		20.3.3. The Table of Monetary Penalties, below, specifies permissible monetary penalties for certain violations of the contract. For any violation not explicitly described in the table, LDH may impose a monetary penalty of up to \$5,000 per occurrence per calendar day.			5/31/2018
LHC2-09	Louisiana Healthcare Connections 8585 Archives Ave.Ste. 310 Baton Rouge, LA 70809	7.3. Geographic Access Requirements 7.3.7. Specialized Behavioral Health Providers 7.3.7.8. Travel distance to Psychiatric Residential Treatment Facilities (PRTF) shall not exceed 200 miles or 3.5 hours for 100% of members. Maximum time for admission shall not exceed 20 calendar days. Access and adequacy is based on availability of in-state PRTFs unless the MCO provides evidence that indicates an out-of-state provider is clinically appropriate to treat the specific needs of the member.				20.3.3. The Table of Monetary Penalties, below, specifies permissible monetary penalties for certain violations of the contract. For any violation not explicitly described in the table, LDH may impose a monetary penalty of up to \$5,000 per occurrence per calendar day.	6/19/2018		7/24/2018

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LHC2-11	Louisiana Healthcare Connections 8585 Archives Ave.Ste. 310 Baton Rouge, LA 70809	7.19 Provider Directory 7.19.1. The MCO shall maintain accurate provider directory data. LDH shall conduct periodic audits to verify the accuracy of the MCO's provider directory data. The MCO shall maintain an accuracy rate of at least 90%.			7/24/2018	Fifty thousand dollars (\$50,000.00) per audit conducted by LDH wherein the MCO is found to have not maintained an accuracy rate of at least 90%. One thousand dollars (\$1,000) per calendar day for failure to correct inaccurate provider directory data within 14 days of notification by LDH.	6/25/2018	\$50,000	7/27/2018
LHC2-11					8/17/2018				9/4/2018
LHC2-12	Louisiana Healthcare Connections 8585 Archives Ave.Ste. 310 Baton Rouge, LA 70809	Section 6.1.10 - No medically necessary service limitation can be more restrictive than those that currently exist under the Louisiana Medicaid State Plan including quantitative and non-quantitative treatment limits.	10/12/2018		10/25/2018	Suspension of auto-assignment of new enrollments.			5/3/2019
LHC2-13	Louisiana Healthcare Connections 8585 Archives Ave.Ste. 310 Baton Rouge, LA 70809	5.5.3. If the member's aid category and/or type case changed from MCO eligible to MCO excluded, previous capitation payments for excluded months will be recouped from the MCO. The MCO shall initiate recoupments of payments to providers within 60 days of the date LDH notifies the MCO of the change. The MCO shall instruct the provider to resubmit the claim(s) to the Medicaid fee-for-service program (if applicable).	10/23/2018			20.3.3. The Table of Monetary Penalties, below, specifies permissible monetary penalties for certain violations of the contract. For any violation not explicitly described in the table, LDH may impose a monetary penalty of up to \$5,000 per occurrence per calendar day.			2/19/2019
LHC2-14	Louisiana Healthcare Connections 8585 Archives Ave.Ste. 310 Baton Rouge, LA 70809	7.13.6. As required by 42 CFR §438.6(1), 438.230(a) and §438.230(b)(1),(2),(3) the MCO shall be responsible to oversee all subcontractors' performance and shall be held accountable for any function and responsibility that it delegates to any subcontractor. . .	11/21/2018	11/28/2018	11/27/2018	20.3.3. The Table of Monetary Penalties, below, specifies permissible monetary penalties for certain violations of the contract. For any violation not explicitly described in the table, LDH may impose a monetary penalty of up to \$5,000 per occurrence per calendar day.			2/19/2019
LHC2-15	Louisiana Healthcare Connections 8585 Archives Ave.Ste. 310 Baton Rouge, LA 70809	15.3.4. The MCO and its subcontractors shall comply with all applicable provisions of 42 CFR §438. 608 and 438.610 pertaining to debarment and/or suspension including written disclosure to LDH of any prohibited affiliation. The MCO and its subcontractors shall screen all employees, contractors, and network providers to determine whether they have been excluded from participation in Medicare, Medicaid, the Children's Health Insurance Program, and/or any federal health care programs. To help make this determination, the MCO shall conduct screenings to comply with the requirements set forth at 42 CFR §455.436.	11/21/2018	11/30/2018		20.3.3. The Table of Monetary Penalties, below, specifies permissible monetary penalties for certain violations of the contract. For any violation not explicitly described in the table, LDH may impose a monetary penalty of up to \$5,000 per occurrence per calendar day.		\$122,000	4/12/2019
LHC2-16	Louisiana Healthcare Connections 8585 Archives Ave.Ste. 310 Baton Rouge, LA 70809	14.2.5.7.2 Based on an MCO's Performance Measure outcomes for CYE 12/31/2017, a maximum of \$2,250,000 (\$250,000 per measure) following the measurement CY will be withheld from payment if specified performance measures fall below LDH's established benchmarks for improvement.			1/2/2019		12/4/2018	\$500,000	1/28/2019
LHC2-17	Louisiana Healthcare Connections 8585 Archives Ave.Ste. 310 Baton Rouge, LA 70809	7.19 Provider Directory 7.19.1. The MCO shall maintain accurate provider directory data. LDH shall conduct periodic audits to verify the accuracy of the MCO's provider directory data. The MCO shall maintain an accuracy rate of at least 90%.				Fifty thousand dollars (\$50,000.00) per audit conducted by LDH wherein the MCO is found to have not maintained an accuracy rate of at least 90%. One thousand dollars (\$1,000) per calendar day for failure to correct inaccurate provider directory data within 14 days of notification by LDH.	2/15/2019	\$50,000	
LHC2-18	Louisiana Healthcare Connections 8585 Archives Ave.Ste. 310 Baton Rouge, LA 70809	17.2.1.1 Within five (5) business days of receipt of a claim, the MCO shall perform an initial screening, and either reject the claim, or assign a unique control number and enter it into the system for processing and adjudication. 17.2.1.2 Process and pay or deny, as appropriate, at least Ninety percent (90%) of all clean claims for each claim type, within fifteen (15) business days of the receipt. 17.2.1.3 Process and pay or deny, as appropriate, at least Ninety-nine percent (99%) of all clean claims for each claim type, within thirty (30) calendar days of the date of receipt.				Five thousand dollars (\$5,000.00) for each month that an MCO's claims performance percentages by claim type fall below the performance standard. Twenty-five thousand dollars (\$25,000.00) for each additional month that the claims performance percentages by claim type, by MCO fall below the performance standards.	2/25/2019	\$35,000	

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LHC2-19	Louisiana Healthcare Connections 8585 Archives Ave.Ste. 310 Baton Rouge, LA 70809	ACT 582 - 2018 Regular Legislative Session 7.6.3.3. The MCO shall require unlicensed staff of provider organizations rendering and receiving reimbursement for Mental Health Rehabilitation (MHR) services to obtain and submit National Provider Identifier (NPI) numbers to the MCO, as well as documentation verifying the unlicensed staff meets all qualifications and requirements for providing mental health rehabilitation (MHR) services established by law, rules, regulations and the Medicaid Behavioral Health Service Provider Manual, inclusive of Evidence-Based Practice (EBP) MHR services, prior to reimbursing agencies for services provided by these staff. Claims submitted for MHR services shall include rendering provider NPIs and other MCO required identifiers regardless of whether the rendering staff is licensed or unlicensed. The MCO shall configure systems to deny claims for services when rendering providers and NPIs are denoted on claims for service that have not been credentialed and approved by the MCO. The MCO shall submit their policies, procedures and work plan associated with this requirement to LDH for approval within 30 days of contract execution. The MCO's work plan shall include timelines associated with systems configuration, systems testing phases, education and outreach to providers, communication notices to providers, and the effective date the MCO's unlicensed staff NPI requirement will go-live.	4/16/2019			20.3.3. The Table of Monetary Penalties, below, specifies permissible monetary penalties for certain violations of the contract. For any violation not explicitly described in the table, LDH may impose a monetary penalty of up to \$5,000 per occurrence per calendar day.			9/5/2019
LHC2-20	Louisiana Healthcare Connections 8585 Archives Ave.Ste. 310 Baton Rouge, LA 70809	13.6.1. Specific Timeframes 13.6.1.2. Standard Resolution of Appeals For standard resolution of an appeal and notice to the affected parties, the timeframe is established as thirty (30) calendar days from the day the MCO receives the appeal. This timeframe may be extended under Section 13.6.2.1 of this Section. 13.6.2. Extension of Timeframes 13.6.2.1. The MCO may extend the timeframes from Section 13.6.1 of this Section by up to fourteen (14) calendar days if: <ul style="list-style-type: none">• The member requests the extension; or• The MCO shows (to the satisfaction of LDH, upon its request) that there is need for additional information and how the delay is in the member's interest.	7/24/2019			20.3.3. The Table of Monetary Penalties, below, specifies permissible monetary penalties for certain violations of the contract. For any violation not explicitly described in the table, LDH may impose a monetary penalty of up to \$5,000 per occurrence per calendar day.			9/13/2019
LHC2-21	Louisiana Healthcare Connections 8585 Archives Ave.Ste. 310 Baton Rouge, LA 70809	6.3.7. Drug Utilization Review (DUR) Program The MCO shall maintain a DUR program to assure that outpatient drugs are appropriate, medically necessary, and are not likely to result in adverse medical results in accordance with Section 1927(g) of SSA. DUR (prospective, retrospective and educational) standards established by the MCO shall be consistent with those same standards established by LDH. 6.3.7.1. The MCO shall include review of Mental Health drugs in its prospective, retrospective and educational DUR program. 6.3.7.2. DUR standards shall encourage proper drug utilization by ensuring maximum compliance, minimizing potential fraud and abuse, and take into consideration both the quality and cost of the pharmacy benefit.	10/15/2019			20.3.3. The Table of Monetary Penalties, below, specifies permissible monetary penalties for certain violations of the contract. For any violation not explicitly described in the table, LDH may impose a monetary penalty of up to \$5,000 per occurrence per calendar day.			
LHC2-22	Louisiana Healthcare Connections 8585 Archives Ave.Ste. 310 Baton Rouge, LA 70809	7.13.6. As required by 42 CFR §438.6(1), §438.230(a) and §438.230(b)(1),(2),(3) the MCO shall be responsible to oversee all subcontractors' performance and shall be held accountable for any function and responsibility that it delegates to any subcontractor, including but not limited to: 7.13.6.4. The MCO must have a written agreement between the MCO and the subcontractor that specifies the activities and reporting responsibilities delegated to the subcontractor; and provides for revoking delegation or imposing other sanctions if the subcontractor's performance is inadequate; 7.13.6.5. The MCO shall monitor the subcontractor's performance on an ongoing basis and subject it to formal review according to a periodic schedule consistent with industry standards; 7.13.6.6. The MCO shall identify deficiencies or areas for improvement, and take corrective action. . .	10/21/2019		11/4/2019	20.3.3. The Table of Monetary Penalties, below, specifies permissible monetary penalties for certain violations of the contract. For any violation not explicitly described in the table, LDH may impose a monetary penalty of up to \$5,000 per occurrence per calendar day.			
LHC2-23	Louisiana Healthcare Connections 8585 Archives Ave.Ste. 310 Baton Rouge, LA 70809	12.11.2.3. Welcome Calls 12.11.2.3.1. The MCO shall make welcome calls to new members within fourteen (14) business days of the date the MCO sends the welcome packet...	10/30/2019			20.3.3. The Table of Monetary Penalties, below, specifies permissible monetary penalties for certain violations of the contract. For any violation not explicitly described in the table, LDH may impose a monetary penalty of up to \$5,000 per occurrence per calendar day.			

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LHC2-24	Louisiana Healthcare Connections 8585 Archives Ave.Ste. 310 Baton Rouge, LA 70809	13.6.1. Specific Timeframes 13.6.1.2. Standard Resolution of Appeals For standard resolution of an appeal and notice to the affected parties, the timeframe is established as thirty (30) calendar days from the day the MCO receives the appeal. This timeframe may be extended under Section 13.6.2.1 of this Section. 13.6.2. Extension of Timeframes 13.6.2.1. The MCO may extend the timeframes from Section 13.6.1 of this Section by up to fourteen (14) calendar days if: <ul style="list-style-type: none">• The member requests the extension; or• The MCO shows (to the satisfaction of LDH, upon its request) that there is need for additional information and how the delay is in the member's interest.				20.3.3. The Table of Monetary Penalties, below, specifies permissible monetary penalties for certain violations of the contract. For any violation not explicitly described in the table, LDH may impose a monetary penalty of up to \$5,000 per occurrence per calendar day.	11/6/2019	\$25,000	